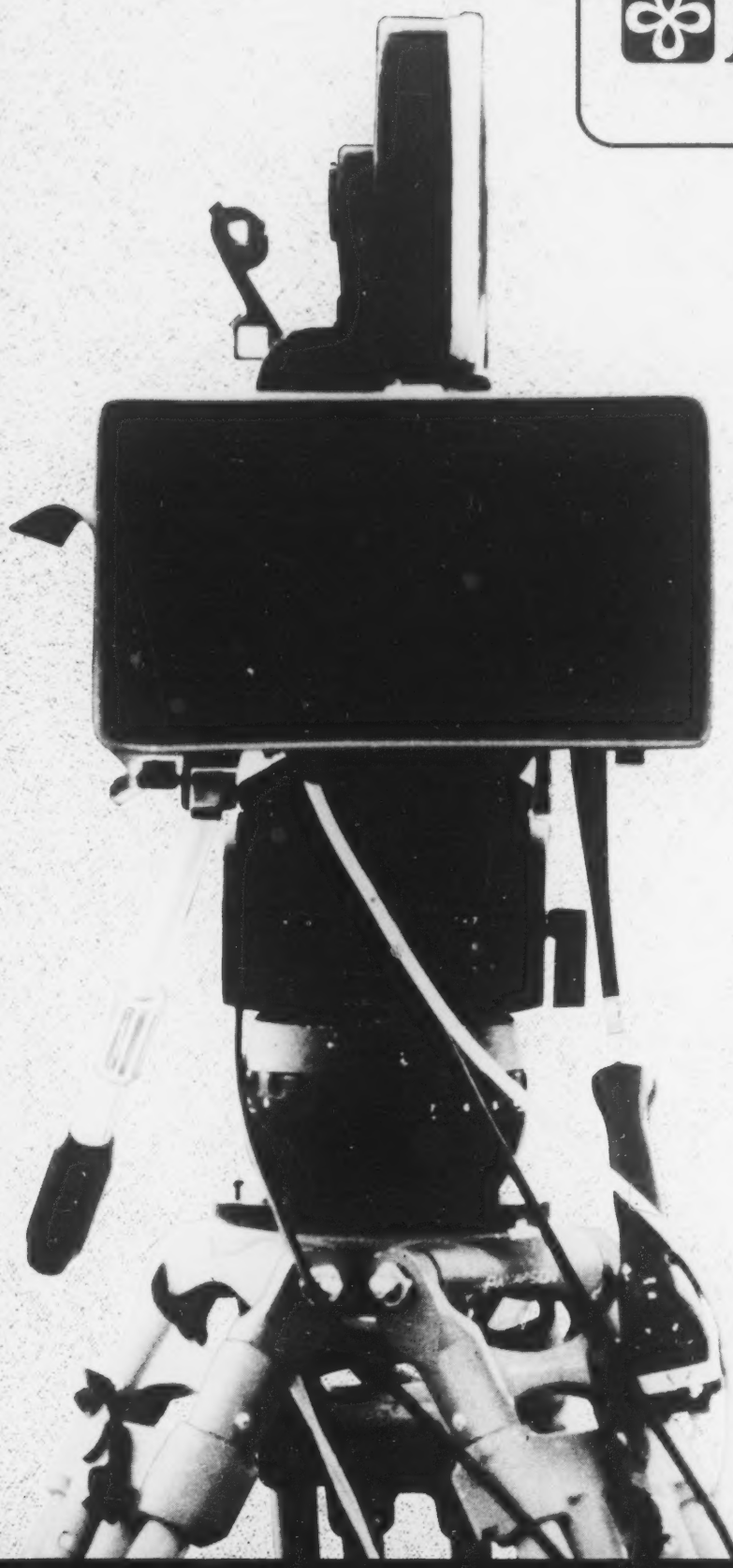
10/19/82 S2780-2 A

Iowa Development Commission

Digest

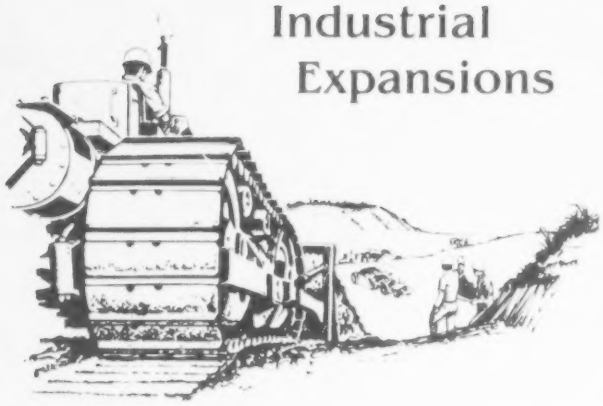
September, 1982



Tide ads filmed in Iowa towns

Story on page 6

Industrial Expansions



New Eaton valve plant creates 200

Eaton Corporation

Two years of planning and building officially were brought to a successful conclusion in July with the dedication of Eaton Corporation's new $10 million plant in Belmond.

The 150,000 square-foot facility now employs about 200 workers. Peak employment of 300 workers won't be reached for at least a year, company officials said. The plant's workers manufacture precision engine valves for passenger cars, heavy trucks and industrial engines.

Speakers during dedication ceremonies gave much of the credit for Eaton's decision to locate in Belmond to the town's Industrial Development Corporation. The Belmond group worked with the Iowa Development Commission's Industrial Division in its efforts to entice Eaton.

Belmond lost its first bid to attract Eaton in 1976. Company officials visited the area then, but decided to locate elsewhere. Eaton returned in the summer of 1980, and by that fall decided that Belmond was the place for its new plant.

Eaton Chairman E. M. deWindt said Belmond was chosen because of its location, its work force and its energy sources. Chief among Belmond's assets, said deWindt, were the cooperation and tenacity of its leaders.

"Every curbstone expert knows that now is not the time to be part of the automotive industry if you can help it," said Eaton President J. R. Stover. "And yet here we have the leaders of Belmond and Iowa who worked tirelessly to attract a plant tied to that industry."

Their work was not in vain, Stover said. Even in a recession year, five or six million cars are sold in this country and 35 to 40 million are sold throughout the world, Stover said.

"How many markets can you identify that are bigger than that?" Stover asked.

The Belmond plant is Eaton's third in Iowa. The Cleveland company also operates a truck transmission plant in Shenandoah and a hydrostatic transmission plant in Spencer.

Boone Valley Co-op

Boone Valley Co-op of Eagle Grove recently opened a new processing plant that nearly triples the firm's soybean processing capacity.

The new facility ranks among the largest soybean processing plants in the country, according to Bill Lester, Boone Valley general manager. The co-op's daily processing capacity is now 145,000 bushels per day.

Another recent project also is complete. Boone Valley bought and remodeled an Iowa Public Service building in Eagle Grove. The new energy plant provides the co-op with

Correction

A story in the Industrial Expansions section of the July **IDC Digest** incorrectly reported that Siouxpreme Egg Products, Inc. was expanding its facilities in Sioux City. Siouxpreme Egg is located in Sioux Center, and is planning to build a 10,000 square-foot expansion at that plant. The expansion will result in 30 new jobs in Sioux Center.

jobs in Belmond

all its steam and electricity needs, Lester said.

The projects add 70 jobs to the co-op's former payroll of 150 employees, Lester said.

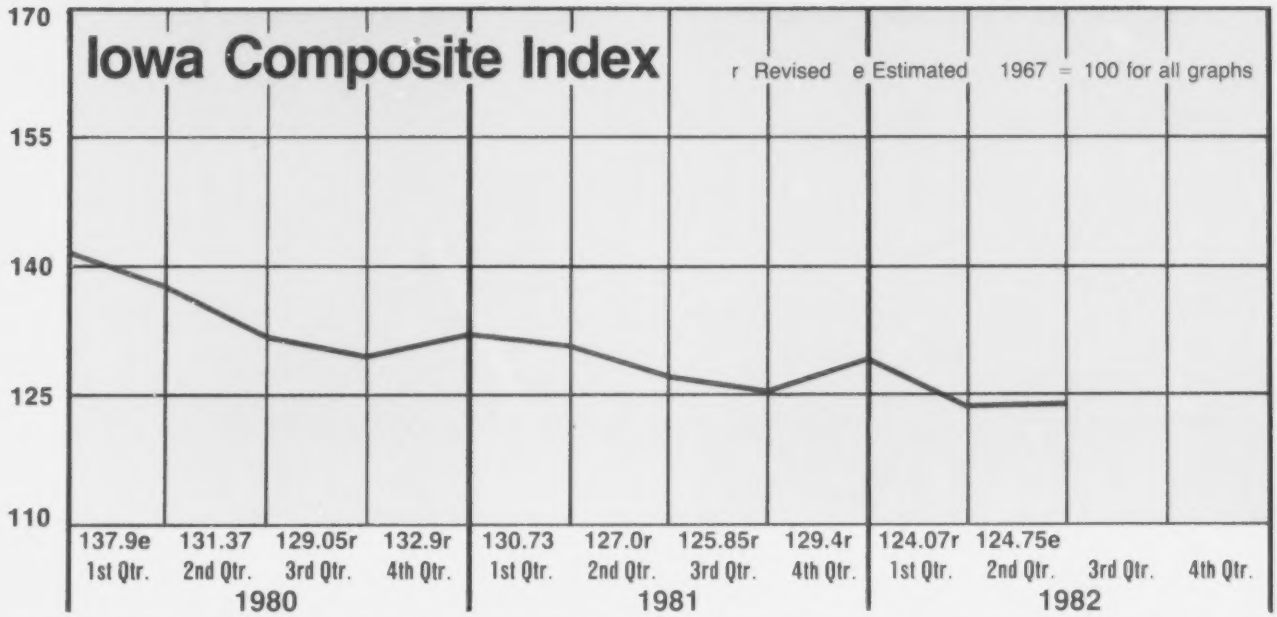
The Clow Corporation

The Clow Corporation announced in July that it has moved its valve division headquarters from the Chicago area to Oskaloosa. Six families were relocated in the move. The valve division manufactures primarily fluid control valves and hydrants. The valve division of Clow also has plants in California and New York. The Oskaloosa plant has grown from 322 employees to 410 employees in the last few months.

Dragon Casing Company

Dragon Casing Company is the name of Hull's newest industry. The firm will employ up to 10 workers. The plant will process hog intestines from Sioux Preme Packing Co. in Sioux Center. The intestines, once considered a waste product, will be separated for use in medicines and as sausage casings. Dragon Casing is housed in the former Steinstra Construction office building in Hull. Owners Ken and Jennie Yu of Rock Valley also operate Chia Chi Enterprises in Rock Valley.

THE IOWA ECONOMY



The combined index of Iowa's economy continued its slow pace, edging up only slightly from the six-year low set in the first quarter. This index reflects the poor showings of its component indexes, particularly agriculture, construction, manufacturing, and transportation.

IDC plans move to new office

The Iowa Development Commission will be improving on its ability to serve the public and business sectors when it makes the move to a new office complex later next year.

Governor Robert Ray announced in August that the IDC will move its office to a new building that is currently under construction in Des Moines' east side business revitalization district. The move will place the commission's office in the new Capitol Center complex to the west of the State Capitol.

In announcing the move, Governor Ray pointed out the importance of the move. "To achieve accelerated economic growth our state needs to always put its best foot forward, and this move will put the Development Commission's offices in a more attractive and functional setting."

Offers competitive edge

The IDC is excited about the new office. Director David Swanson said the move will improve the business capabilities of the commission. "To be competitive in promoting this state as a place to do business, we need to have good marketing tools. One of these tools is an attractive place in which to meet industry. Being in downtown Des Moines has suited us well for many years. But in this new facility we will convey a better and more positive image, as well as be more accessible to the public and private sectors."

Stanley McCausland, director of the Department of General Services, noted that the new office will incorporate many modern, up-to-date features not found in the current IDC office at the Jewett Building. "One major feature will be an audio/visual display room, similar to those found in the private sector. This room will allow the IDC, as well as other state agencies, to present promotional, multi-media programs to clients. The Development Commission represents the state to many groups, and we need a facility like this to show off Iowa's strong selling points."

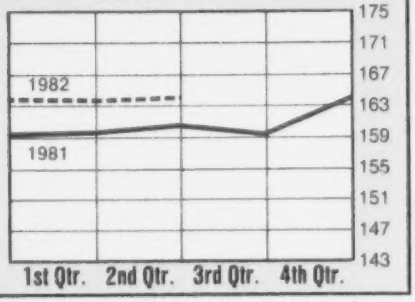
Maximum efficiency

McCausland also pointed out that the "open office" concept will be emphasized in much of the new building, allowing for maximum efficiency per square foot of space.

The Capitol Center complex will eventually consist of three buildings bordered by Walnut Street and Court Avenue, between East Fourth and East Seventh streets. Capitol Center Partners will lease the space to the IDC for a five-year period, with the option to renew. The IDC office will occupy 15,000 square feet, or one wing, of the first of the three buildings.

SERVICES (Employment, dollar volume index)

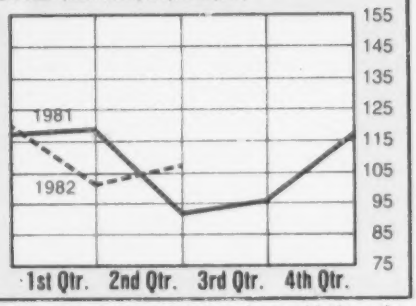
1981	1982
160.83r	164.3
161.1r	164.9
160.13	
164.6e	



The services sector index remains steady at a relatively high level compared to its long-term trend.

AGRICULTURE (Cash receipts, prices paid)

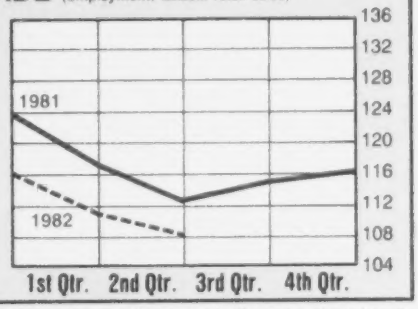
1981	1982
119.61r	102.3
92.5r	106.4
95.2r	
117.0e	



The index comparing farmers' cash receipts to prices paid showed a modest gain in the second quarter. The second and third quarter indexes are typically on the low side of the annual cycle.

RETAIL TRADE (Employment, taxable retail sales)

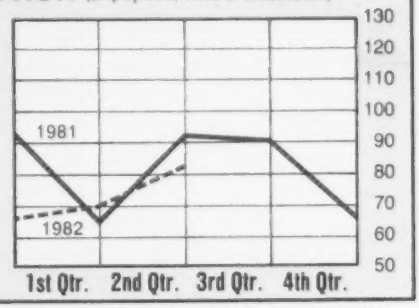
1981	1982
117.2	111.4
113.92	108.5
115.0	
116.17	



The retail trade index hit a seven-year low point in the second quarter. It hasn't been lower since the first quarter of 1975. There hasn't been a lower *second* quarter index in eleven years!

CONSTRUCTION (Employment, value of construction)

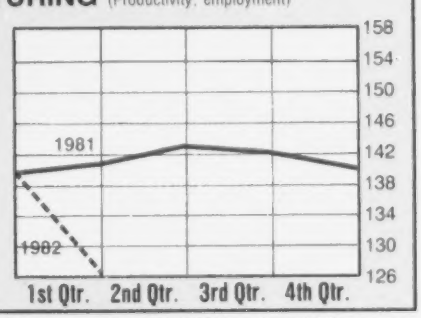
1981	1982
65.71r	70.0
91.11	83.3
90.40	
67.37	



The construction index always picks up in the second quarter. It is a "seasonal" increase. This year's seasonal rise is the weakest since 1963, when the index rose to 82.9 in the second quarter.

MANUFACTURING (Productivity, employment)

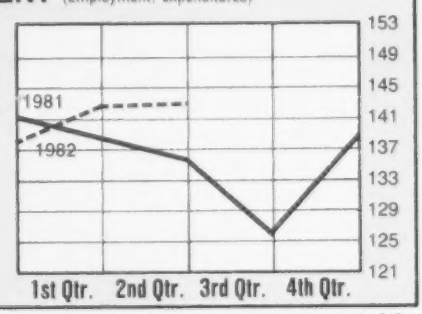
1981	1982
141.61r	126.3r
143.18	123.7e
142.11r	
136.8r	



A sharp drop in the first two quarters of 1982 has brought the manufacturing index to its lowest level in ten years. Lower employment in this sector is responsible.

GOVERNMENT (Employment, expenditures)

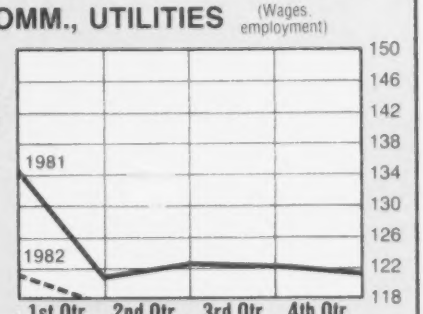
1981	1982
138.77r	143.8r
136.77	143.9e
126.12	
137.94	



The second quarter index is usually strong compared to the rest of the year. Although this year's second quarter index surpasses last year's, it still remains at a low level when compared to long-term trends.

TRANS., COMM., UTILITIES (Wages, employment)

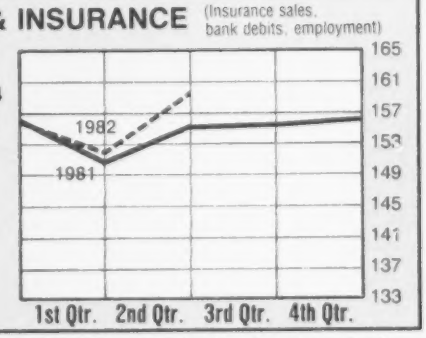
1981	1982
121.78r	117.0r
122.9r	116.3e
122.9r	
121.34e	



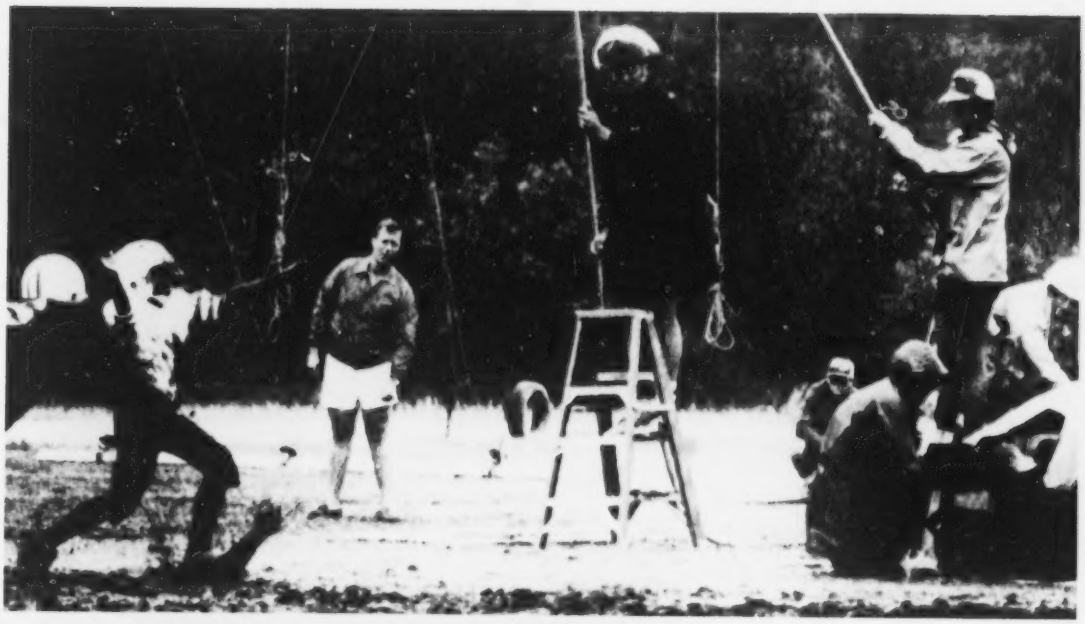
This sector's index is at its lowest point in eleven years. Since the first quarter of 1981, it's been at a relatively depressed level.

FINANCE & INSURANCE (Insurance sales, bank debits, employment)

1981	1982
151.52r	152.84
155.59	160.8
155.74	
156.4r	



The indexes in this sector seem to have developed a seasonal pattern over the past two years of dipping in the first quarter and coming back up in the second.



Tide tackles Io

The bride and groom, surrounded by the ecstatic family and wedding party, cascade down the steps of the quaint, white, country church in rural northeast Iowa. Briefly, the bride pauses to launch her bouquet toward the waiting crowd. A pristine, young flower girl dressed in white, measures the bouquet's descent, dives for the flowers, but flops empty-handed in the dirt. The girl's mother gasps at the sight of the once-white dress.

"That's beautiful!" says a voice from behind the crowd. "We'll print that one!"

And with that, film director Murray Bruce orders his crew to set up the next scene for the laundry detergent television commercial he is shooting in the Iowa community of Boyd.

Latest of many

The Procter & Gamble advertisement for Tide detergent is the latest among a number of film productions that have used Iowa locations in the last few years. In this case, Procter & Gamble, the company with the nation's largest advertising budget, hired Murray Bruce Productions of New York to film two television commercials in two different Iowa communities. In both cases, the production company utilized the services of Bill Lindstrom, the Iowa Development Commission's film services coordinator.

"Procter & Gamble wanted to reenact a wedding scene at a typical rural church with a lot of character," said Lindstrom. "They thought they would find the perfect setting somewhere in the Midwest."

Fifteen counties seen

The search ultimately centered in Iowa, Nebraska

a dirt

and South Dakota. Over a five-day period, Lindstrom and an associate producer from Murray Bruce Productions explored 15 Iowa counties, looking at scores of country churches. The church in Boyd, just six miles southeast of New Hampton, received the nod from P&G officials.

So after an open casting call in Waterloo that drew nearly 2,000 aspiring television actors, production company officials picked about 100 Iowans to appear in the two commercials promoting Tide. One spot was shot in Boyd and the other was filmed on a high school football field in New Hartford, just west of Waterloo.

"The second Tide commercial features a high school football team playing a game in the rain," Lindstrom explained. "Of course, the team uniforms got pretty filthy and that's where Tide comes in."

Cooperative town

"The New Hartford location was chosen because of its proximity to the production company's accommodations in Waterloo and also because of the town's cooperation in leasing the field to the film crew. Neither commercial could have been shot without the great cooperation from the people in both Boyd and New Hartford," Lindstrom said.

According to Lindstrom, the film company spent several hundred-thousand dollars during its two-week stay in the Waterloo area. "That's a good reason for trying to bring more film production into Iowa," he said.

Procter & Gamble representatives say the commercials will air soon on the three major television networks. ✠

Cars sport Iowa message

What do Iowa and Grand Prix racing have in common? Louis McAlpine of Benelli Brothers Import Center in Des Moines, that's what.

For the last several years, McAlpine has been making a name for his fleet of Renault race cars by consistently winning Renault Grand Prix races, both in the United States and abroad. "The small French-designed cars are raced prior to the main event," McAlpine said, "and since Iowa is not known as a racing capital, we draw quite a bit of attention." Currently, McAlpine's racers are among the fastest in the United States.

Because McAlpine's cars have been winning and drawing attention, he decided to publicize his home state and arranged with the IDC Public Information Division to have Iowa logos painted on a couple of the racers. One lists "Iowa, A tradition of excellence," on the roof, since many spectators at Grand Prix races view the race from second and third floor windows of buildings along the route. The sides of the same car have "Iowa, A Place to Grow." The other car sports a stylized "Iowa" across the hood.

"We enjoy giving the state a little free publicity," McAlpine added. "We're proud of Iowa, and want everyone to know where we come from." ✣

Iowa Ag & Business Indicators

Labor, Demand and Supply[1]

May, 1982

Service Areas	Unfilled Openings	New Apps.	Service Areas	Unfilled Openings	New Apps.
Ames	85	580	Iowa City	121	1,030
Atlantic	26	138	Keokuk	17	258
Burlington	43	802	Marshalltown	101	365
Carroll	50	173	Mason City	107	409
Cedar Rapids	243	1,532	Muscatine	42	359
Centerville	23	287	Newton	15	209
Charles City	5	131	Oskaloosa	21	246
Clinton	172	640	Ottumwa	22	513
Council Bluffs	108	904	Sheldon	38	105
Creston	55	154	Shenandoah	60	98
Davenport	190	1,451	Sioux City	283	896
Des Moines	406	2,753	Spencer	74	300
Dubuque	136	1,001	Storm Lake	46	416
Fairfield	13	193	Waterloo	167	1,055
Fort Dodge	261	600	Webster City	49	143
Fort Madison	86	230			

[1]All new applicants and job openings listed with the Iowa Department of Job Service

Consumer Price Index

	June 1982	June 1981
All Urban Consumers (1967 = 100)	290.6	271.3

Composite Construction Cost Index

	March 1982	March 1981
Composite Construction Cost Index (1967 = 100)	157.2	152.1

Business Data

	6 82	6 81	6 mos. 82	6 mos. 81
New Car Registration	5,792	6,695	36,878	53,349
Iowa Savings & Loan ($000,000)				
Mortgage Loans	12.0	5.0	-81.6	65.4
Savings	26.2	-1.3	36.2	26.1
Work Force (000)	1,445.0	1,456.3	1,389.7	1,403.9
Unemployment	83.3	66.6	88.8	69.4
Rate (% of work force)	5.8	4.7	6.4	5.0
Employment	1,361.7	1,389.7	1,300.9	1,334.6

Value of New Dwellings ($000)

	7 82	7 81	7 mos. 82	7 mos. 81
Ames	$ 229.5	$ 0	$ 719.0	$ 474.0
Bettendorf	111.9	320.0	1,596.3	3,791.6
Burlington	212.0	86.0	841.0	1,200.4
Cedar Falls	62.3	189.6	435.2	2,447.8
Cedar Rapids	130.8	457.1	1,197.5	4,334.5
Clinton	25.0	155.0	108.0	1,011.0
Council Bluffs	197.9	53.7	758.2	406.6
Davenport	75.0	642.6	1,495.5	6,348.1
Des Moines	985.4	724.0	2,775.6	5,662.3
Dubuque	187.1	89.3	510.7	693.4
Fort Dodge	0	0	50.0	725.0
Iowa City	1,273.7	1,383.3	12,129.7	5,503.3
Keokuk	153.0	33.0	1,418.3	305.0
Marion	0	93.4	323.0	997.6
Marshalltown	84.0	192.0	399.0	588.0
Mason City	131.9	80.0	616.1	763.4
Muscatine	120.4	426.0	751.1	1,691.3
Newton	161.0	0	512.2	209.0
Ottumwa	85.0	23.0	1,367.0	666.0
Sioux City	48.2	229.0	1,970.4	761.0
Urbandale	127.3	0	1,214.5	1,174.2
Waterloo	260.1	516.8	1,312.6	6,251.0
W. Des Moines	56.5	517.9	2,159.6	3,282.0
TOTAL	$ 4,718.0	$ 6,211.7	$ 34,660.5	$ 49,286.5

Farm Retail Price Spreads

	May 1982	May 1981
Beef, Choice:		
Retail Price (cts. lb.)	246.5	234.3
Net Carcass Value (cts.)	169.9	155.1
Net Farm Value (cts.)	159.7	145.6
Farm-Retail Spread (cts.)	86.8	88.6
Pork:		
Retail Price (cts. lb.)	169.6	144.9
Wholesale Value (cts.)	122.1	101.5
Net Farm Value (cts.)	90.9	66.3
Farm-Retail Spread (cts.)	77.6	78.6
Dairy Products:		
Retail Cost (1967 = 100)	247.0	242.6
Farm Value (1967 = 100)	258.0	265.6
Farm-Retail Spread (1967 = 100)	237.3	228.2
Eggs:		
Retail Cost (1967 = 100)	172.3	170.5
Farm Value (1967 = 100)	176.0	183.7
Farm-Retail Spread (1967 = 100)	166.9	151.4

Quarterly Periods

	1982 I	1981 I
Net Taxable Retail Sales ($000,000)	N.A.	3,463
Personal Income ($000,000)	30,091	28,518

Stock Index

	Iowa*	Dow Jones Industrial
May, 1982	223.95	819.54
June, 1982	222.88	811.93
July, 1982	221.80	808.60

*Robert C. Westlund, Piper, Jaffray & Hopwood, Inc. (1967 = 100)

Average Prices Received by Farmers

	7 82	6 82	7 81
Corn, bu.	$ 2.47	$ 2.49	$ 3.08
Soybeans, bu.	5.98	6.01	7.14
Oats, bu.	1.78	2.03	1.80
Hogs, cwt.	57.10	56.60	49.20
Beef cattle, cwt.	59.40	62.70	59.90
Calves, cwt.	65.10	65.70	62.70
Milk (whls), cwt.	12.80	12.80	12.80
Sheep, cwt.	25.00	23.60	26.60
Lambs, cwt.	56.00	59.50	57.50
Eggs (market), doz.	35	34	NA
All hay, ton baled	52.00	57.00	49.00
Turkeys, lb.	.41	.39	.41

Average Prices Paid by Farmers

	7 15 82	7 15 81
Beef cattle concentrated, 32-36%	$ 12.80	$ 12.90
Hog feed, 38-42% protein	15.10	16.00
Soybean meal, 44% protein	12.50	13.50
Dairy feed, 16% protein	190.00	191.00
Poultry feed, layer ration	190.00	220.00

Commodity Feed Price Ratios

	7 15 82	7 15 81
Hog — corn[1]	23.1	16.0
Beef cattle — corn[1]	24.0	19.4
Egg — feed[2]	4.1	4.6
Milk — feed[3]	1.35	1.34

[1]Bushels of corn equal in value to 100 lbs. of hog or cattle liveweight.
[2]Pounds of laying feed equal in value to 12 eggs.
[3]Pounds of concentrate ration equal in value to 1 lb. of wholesale milk.

Et Cetera:

Foreign business inquiries

Call 515/281-3581 for more information

Hydraulic loaders

A German assembler of hydraulic loaders for construction and agricultural use seeks a license with a small U.S. ag equipment manufacturer. The German firm employs 20 people and lists annual sales of $2.4 million. **(G82-8335L)**

Plug valves

A German manufacturer of corrosion resistant valves (mainly plug valves) for the petrol and chemical industries is looking for a U.S. company to discuss a possible joint venture. The German company was established in 1967 and employs 60 production employees, and 15 salesmen. Annual turnover of approximately $3.3 million. **(G82-8434J)**

Labels

A German manufacturer of labels is seeking a U.S. partner, preferably a printing plant or a manufacturer of labeling machines, for a joint venture agreement. The German company would like to acquire a minority share in the U.S. company. Reverse also possibility. Company was established 1922, employs 55. **(G82-8527J)**

Engineered plastic

A German manufacturer of engineered plastic for lining bunkers, trailers, silos and conveyors is seeking a joint venture with a U.S. firm for manufacture of the material and sale in the U.S. The German firm will invest $500,000. As a first step, the U.S. partner must be able to market plastic panels and should have experience with such installations. **(G82-8630J)**

Electrical components

A British firm engaged in the development and manufacture of sophisticated electrical, electronic and mechanical components is seeking to acquire a license to produce U.S. products in Europe. The company is interested in the following licenses and technologies:

Innovative/special application actuators, connectors, transducers and stepping motors; membrane switches and derivatives such as limit and pressure switches. Electrical/electronic membrane switches as used on computers and instruments; manufacture of printed circuits on porcelain enameled steel substrates and the printing of current conductors on flexible materials; innovative products which can be manufactured by metal pressing techniques; small products in the "law and order" field for crowd control; innovative safety products and products for the disabled and handicapped. **(U.K. 82-8739L)**

Floor coverings

A German manufacturer of industrial floor coverings used in food processing plants, such as dairies, breweries, and chemical plants, is seeking to license its technology for production in the U.S. The floor covering is highly resistant to acids and other harsh chemicals. It also is extremely durable as to machinery and heavy object movement. **(G82-8839L)**

Plastering levels

An Austrian manufacturer of sprit levels, hose leveling instruments, inclinometers, and other specialized levels for plasterers, road and rail construction, and tile laying is seeking a U.S. partner to assemble the levels and to act as a distributor agent for the U.S. **(A110-10034)** ✣

Iowa rooms put up for grabs

Hotels and motels throughout Iowa are being asked by their state association to support a program that offers rooms free of charge this fall to Iowans who have never stayed in one of the state's hotels or motels.

In return, the Iowa Hotel & Motel Association says, the properties will be given "plenty of advertising" statewide. The association hopes the promotion will expand the market for Iowa hotels and motels.

The winners of free rooms will be determined through contests run by each hotel or motel.

The program is in response to statistics that show a high percentage of residents in Iowa have never stayed in a hotel or motel in the state.

This program is the first of its type in the nation. ✣

IDC names new employees

Bob Kelso has been named director of the new CALL ONE business and industry information program at the Iowa Development Commission. He will be assisted by Frances Fleck. Kelso has attended a number of institutions including the Municipal University of Omaha, Boyles Technical Institute and Coe College. Before joining the IDC, Kelso was legislative affairs manager for the Sioux City Chamber of Commerce and a lobbyist for the Northwest Iowa Chamber Coalition.

Frances Fleck, CALL ONE's new assistant director, joined the IDC in early August. She is a graduate of the University of Iowa where she majored in elementary education and psychology. Fleck also has received a Master's in public administration from Drake University. Before joining the IDC, Fleck worked for the Environmental Protection Agency in Kansas City.

Jim Blume is the new **IDC Digest** editor. He was graduated from Iowa State University in 1979 with a B.A. in journalism and economics. Before joining the IDC, Blume was a reporter for three years with the **Des Moines Register**.

Craig Ham lton has been named regional manager for Existing Industry in the Industrial Division. Hamilton received a B.A. in geography from California State University and received his Master's from the University of Nebraska, also in geography. Before joining the IDC, Hamilton was the economic development group manager in the Department of Planning and Community Development in Council Bluffs.

Julie Blum has been named regional manager for Existing Industry in the Industrial Division. Blum received a Bachelor of Business Administration in marketing and industrial relations from the University of Iowa. Before joining the IDC, Blum was the assistant manager of the West Covina, California, Chamber of Commerce.

"Ah, the adventure of the open road," he says.
"The breathtaking view of several states from behind a steering wheel," he says.
"Next time we try IOWA," he says.

Take a vacation and have a good time, too. Scenery, museums, festivals and campsites are just hours away. Bet there's an Iowa adventure you haven't tried yet. We'll help you find it. Write TRY IOWA, Iowa Development Commission, Travel Division, 250 Jewett Bldg., Des Moines 50309.

try Iowa!

Iowa
a place to grow

IDC DIGEST
September 1982 Vol. XI-No. 10

IDC COMMISSIONERS

William H. Burger, chrm. ..... Waterloo
E. Thurman Gaskill, v. chrm. ..... Corwith
Donna Keppy, sec. ..... Wilton
Michael Dunn ..... Keokuk
David B. Hinton ..... Des Moines
Robert H. Meier ..... Ottumwa
Mardelle R. Noble ..... Oelwein
F. Forbes Olberg ..... Cedar Rapids
Bill Riley ..... Des Moines
Ronald H. Schechtman ..... Carroll
Gerald L. Weiner ..... Sioux City

Published monthly by the Iowa Development Commission, 250 Jewett Bldg., Des Moines, Iowa 50309 515/281-3193. Reprinting encouraged.

David Swanson ..... Director
Doug Getter ..... Admin. Services
Dave Schuetts ..... Ex. Administrator
Jim Blume ..... **Digest** Editor
Dennis Harding, Ag Development, Promotion 281-3459
Paul Comer, Community Betterment 281-3536
Paul Wagner, European Office
Ron Kraft, Industrial 281-3500
Tom Blackett, Public Information 281-3185
John Butterfield, Research 281-3036
Phil Morgan, Tourism and Travel 281-3401

Iowa Development Commission
250 Jewett Building
Des Moines,IA 50309

Address Correction Requested
Include Mailing Label
Return Postage Guaranteed

BULK RATE
U.S. POSTAGE
PAID
DES MOINES, IOWA
PERMIT NO. 1195

013946
GEARHART, LOIS
CONGRESSIONAL INFO. SERVICE
4520 EAST-WEST HIGHWAY
BETHESEDA, MD 20814

California 'blitz' set

The Iowa Development Commission's Industrial Division will visit California's "Silicon Valley" in early October to assess Iowa's potential as a location for high technology industries.

Ron Kraft, director of the Industrial Division, said trips of this type have been taken before, but never to the West Coast. Trips in the past have been to cities in the Midwest or East.

The reason for choosing the West this time, Kraft said, is that California has a large concentration of high technology companies, especially in the Silicon Valley. The trip is designed to make these companies aware of Iowa's potential for branch expansions.

The trip is one of the Industrial Division's so-called "blitz trips." Iowa Development staff members and volunteers from the state's professional community will make 200 to 300 calls to different companies during the four-day venture. Kraft said five to 10 people are expected to make the trip.

Iowa has a lot to offer high technology industries, Kraft said, and he hopes the trip will show the state is an excellent place to plan an expansion.

"We have a good transportation system, an excellent community college system and an extensive amount of research being done in our universities that would benefit this type of industry. Because of these and other assets, Iowa would be a good prospect for high technology," Kraft said.